
SUBSTITUTE SENATE BILL 5768

State of Washington

60th Legislature

2007 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Kilmer, Zarelli, Prentice, Murray, Hewitt, Franklin and Regala)

READ FIRST TIME 03/05/07.

1 AN ACT Relating to excise taxation of electronically delivered
2 financial information; adding a new section to chapter 82.08 RCW;
3 adding a new section to chapter 82.12 RCW; and providing an effective
4 date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08 RCW
7 to read as follows:

8 (1) The tax levied by RCW 82.08.020 shall not apply to sales of
9 electronically delivered standard financial information, if the sale is
10 to an investment management company or a financial institution.

11 (2) For purposes of this section and section 2 of this act, the
12 following definitions apply:

13 (a) "Financial institution" means a business within the scope of
14 chapter 82.14A RCW and RCW 82.04.460(2).

15 (b) "Investment management company" means an investment adviser
16 registered under the investment advisers act of 1940, as amended, that
17 is primarily engaged in providing investment management services to
18 collective investment funds. For purposes of this subsection (2)(b),
19 the definitions in RCW 82.04.293 apply.

1 (c)(i) "Standard financial information" means any collection of
2 financial data or facts, not generated or compiled for a specific
3 customer including, but not limited to, financial market data, bond
4 ratings, credit ratings, and deposit, loan, or mortgage reports. It
5 does not include reports furnished as part of a service described in
6 RCW 82.04.050(3).

7 (ii) For purposes of this subsection (2)(c), "financial market
8 data" means market pricing information, such as for securities,
9 commodities, and derivatives; corporate actions for publicly and
10 privately traded companies, such as dividend schedules and
11 reorganizations; corporate attributes, such as domicile, currencies
12 used, and exchange where shares are traded; and currency information.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.12 RCW
14 to read as follows:

15 The provisions of this chapter shall not apply with respect to the
16 use, by an investment management company or a financial institution, of
17 electronically delivered standard financial information.

18 NEW SECTION. **Sec. 3.** This act takes effect August 1, 2007.

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